

*The following column by Congressman Bachus was published in The Hill on January 27, 2009.*

There is no question that the U.S. is facing a serious economic challenge and that the American people are looking to Washington for leadership.

But we also know from the last several months that enormous and unprecedented government interventions in the economy have enormous and unprecedented consequences.

Repeated “trial by fire” legislating has provided little or no opportunity for deliberative and thoughtful dialogue and discussion.

Now we are being asked to rush to judgment on an \$825 billion economic stimulus proposal that would create an additional \$6,700 in debt for every U.S. household.

Americans intuitively know that the government cannot spend and borrow our way to prosperity, so it is essential that we approach this debate not with a “fire brigade” mentality but with a recognition of both the short-term and long-term consequences.

As those of us in Congress and government undertake our duties, we should remember the words of the entrepreneur and author John Abrams who stated, “If the people who make the decisions are the people who will also bear the consequences of those decisions, perhaps better decisions will result.”

There has been an obvious crudeness and lack of thoughtfulness to our government responses. In the run-up to the adoption of the Troubled Asset Relief Program (TARP) legislation, we made decisions based on how the markets were reacting. And still, decisions

continue to be made in a stress-filled environment under the pressure of short-term crises. In the best case, you have flawed action.

In the worst case, the policy is wrong and wreaks havoc.

To solve this problem it will take long term planning and strategy. I urge my colleagues to recognize that we must face the consequences and successfully navigate our way to a safe, more prosperous, and stable America. We must think in long range terms, not base decisions on one day's DOW Jones report or how the Asian markets might react.

Although we are told the need for a taxpayer-funded stimulus is urgent, the Congressional Budget Office reports that less half of the money will be spent in the next two years. An analysis of the housing provisions by my House Financial Services Committee staff also found billions of dollars in delayed spending, with large sums going to programs of questionable value and potentially to activist groups like ACORN.

For example, more than \$4 billion is earmarked for the ill-titled Neighborhood Stabilization Program, which gives local

governments money to buy foreclosed properties. The program has been nothing more than a bailout of investors and real estate speculators who made risky investments but who are now able to dump foreclosed properties onto states and localities. To date, it has invited more – not fewer – foreclosures by providing incentives to lenders to shutter properties rather than try to work with struggling homeowners to keep them in their houses.

During this downturn, some people think the best use of capital is by the government. But the American people, individuals and businesses, can deploy and utilize capital more quickly, effectively, and productively than the government.

Individual and business tax relief, deficit reduction, and regulatory and entitlement reform are ideas that Former Massachusetts Governor Mitt Romney and eBay Founder Meg Whitman raised at a hearing held by the House Republican Working Group on Economic Recovery and deserve much greater consideration.

While we are facing difficult times, out of this comes an opportunity. We must engage people across the political spectrum and work together to find comprehensive long term solutions.

This will not be easy for the Majority. They have the votes, the power to adopt their proposals with no opportunity for dissent or alternatives.

I know that the President told a group of congressional leaders that “I won.”

But we should all agree that we will look at proposals to solve this problem regardless of their source.

And we must view it as a system that must be worked on as a whole, not in pieces.

In my view, before the Administration releases further TARP payments or before stimulus legislation is passed by Congress, the following goals must be met.

There must be absolute transparency and accountability as to how every tax dollar will be spent.

There should be hard and fast benchmarks, laying out what proposed spending and intervention specifically seeks to achieve.

And above all, legitimate consequences must be considered.

If Thomas Paine was with us today, he might again write, “These are the times that try men’s souls.” But we are Americans, and I have no doubt that within us we have the will and wisdom to meet the challenges that lay before us.